VZCZCXRO8242 OO RUEHCHI RUEHDT RUEHHM RUEHNH DE RUEHGO #0156/01 0460338 ZNY CCCCC ZZH O 150338Z FEB 07 FM AMEMBASSY RANGOON TO RUEHC/SECSTATE WASHDC IMMEDIATE 5719 INFO RUCNASE/ASEAN MEMBER COLLECTIVE RUEHGG/UN SECURITY COUNCIL COLLECTIVE RUEHBY/AMEMBASSY CANBERRA 0158 RUEHKA/AMEMBASSY DHAKA 4468 RUEHNE/AMEMBASSY NEW DELHI 3738 RUEHUL/AMEMBASSY SEOUL 7256 RUEHKO/AMEMBASSY TOKYO 4827 RUEHCI/AMCONSUL CALCUTTA 1048 RUEHCN/AMCONSUL CHENGDU 1047 RUDKIA/AMCONSUL CHIANG MAI 0840 RHHMUNA/CDR USPACOM HONOLULU HI RUEKJCS/JOINT STAFF WASHDC RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEHBS/USEU BRUSSELS RUEHGV/USMISSION GENEVA 3042 RUCNDT/USMISSION USUN NEW YORK 0693

C O N F I D E N T I A L SECTION 01 OF 02 RANGOON 000156

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STATE FOR EAP/MLS; PACOM FOR FPA

E.O. 12958: DECL: 02/14/2017
TAGS: <u>PGOV PHUM PINS PREL SNAR BM</u>

SUBJECT: BURMA'S ETHNIC MON STRADDLE THE FENCE

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Classified By: Poloff Dean Tidwell for Reasons 1.4 (b) and (d)

- 11. (C) SUMMARY: A New Mon State Party (NMSP) leader recently told us relations with the regime are not good, but the NMSP prefers to play along than to break its 20-year cease-fire and return to fighting. The NMSP recently traveled to three Mon districts to explain to the public why it downgraded its status at the National Convention to "observer" status. Burmese authorities monitored the meetings, but did not stop them. The NMSP continues to cooperate quietly with other pro-democracy ethnic groups, although it has had armed clashes with the regime's proxy Democratic Karen Buddhist Army. The NMSP also cooperates with the Thais on border security and drug issues while it supports itself by informally taxing cross border trade. END SUMMARY.
- 12. (C) Dr. Nai Shwe Thein, a member of the NMSP's Central Executive Committee, traveled to Rangoon recently to update us on NMSP activities. Nai Shwe Thein works for the NMSP's foreign affairs committee at NMSP headquarters, near the Thai border, east of the Ye River in southern Mon State and at the NMSP's liaison office in Sangkhalaburi, Thailand.

STRAINS AT THE NATIONAL CONVENTION

¶3. (C) The NMSP reached a cease-fire with the regime in 1995 and in 2000 joined the National Convention (NC) process with five key NMSP leaders serving as regular NC delegates. The NMSP made various proposals to the NC, including a recommendation to drop the requirement that 25 percent of seats in a future parliament be reserved for the Burmese military. The NMSP leaders were disappointed when the regime rejected all its delegates' proposals and ordered lower ranking delegates to represent the NMSP at the subsequent NC session. In protest, the NMSP decided to downgrade its participation to "observer" status and send only three delegates to the 2005 sessions. At the most recent NC session, the NMSP delegates attended the plenary sessions,

but did not participate in the carefully controlled "discussion groups." The NMSP feels that its only option, if it does not attend the NC, is to resume the insurgency. They claim they are not ready to resume fighting, so they merely presented a modest "physical presence" at the NC.

- ¶4. (C) The regime retaliated against the NMSP for downgrading its participation at the NC by cutting off its monthly 4.4 million kyat (\$4,400) "rice fund" provided as part of the cease-fire agreement. The government also revoked promised development funds for irrigation dam construction and the regime stopped the NMSP from engaging in cross- border trade, but allowed the NMSP to use some land for agriculture and rubber plantations.
- 15. (C) During the December 2006 NC session, the NMSP conducted a public awareness campaign, showing videos and holding discussions in cease-fire areas of Thaton, Mawlamyine, and Dawei Districts and in Three Pagoda Pass Township. The NMSP used the campaign to inform the Mon people why the NMSP downgraded its participation to "observer" status. The campaign gave personnel from NMSP headquarters an opportunity to exchange views and to hear public opinion about the NC. Nai Shwe Their claimed the Mon populace mostly supported the NMSP's position.
- 16. (C) Nai Shwe Thein reported that Special Branch police photographed the presentations and took notes, but did not interfere. Lt. Col. Min Chit Oo of Military Security Affairs (MSA) and the SE Regional Commander later questioned the NMSP about the campaign. The NMSP assured the military leaders that the campaign did not criticize the NC and that the opinions of the people helped the NMSP learn how it could better participate in the NC. The MSA frequently reminds the NMSP not to cooperate with other political groups, but Nai

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Shwe Thein told us the NMSP is a political body and must continue its political activities.

CROSS-BORDER TRADE

- 17. (C) Although it no longer formally engages in trade, the NMSP still operates "gates" at key border trading posts and taxes traders who pass through. According to Nai Shwe Thein, most traders must negotiate three separate checkpoints, where they pay taxes to the NMSP, the Democratic Karen Buddhist Army (DKBA), and the GOB. He said the triple tax was a heavy burden for traders. In addition, Burmese Army soldiers and KNU soldiers frequently erect temporary checkpoints where they demand the traders pay "cigarette money" of 500 1,000 kyat (\$0.40-\$0.90). On a recent trip between Three Pagoda Pass on the Thai Border and Thanbyuzayat town in Mon State, Nai Shwe Thein observed 30 such informal checkpoints.
- 18. (C) Nai Shwe Thein said that traders mainly bring cooking oil, diesel, cosmetics, and monosodium glutamate from Thailand to Burma. The regime officially restricted importation of monosodium glutamate in 2000, so it fetches a good price in Burma. Trade in the opposite direction includes fish and seafood, beans, onions, rice, and gems.

DRUG SMUGGLING

19. (C) Nai Shwe Thein claimed the NMSP and Thai officials check carefully for methamphetamine drugs, but DKBA checkpoints usually accept bribes and never check cargo. Nai Shwe Thein claimed that almost all DKBA officials are involved in the methamphetamine trade and frequently use migrant workers to carry the drugs through checkpoints. When NMSP border officers once detained a drug smuggler, the DKBA started a firefight that resulted in several DKBA casualties. The NMSP does not like to arrest drug smugglers; instead, they prefer to cooperate with the Thais to help the Thais arrest them. However, the NMSP currently has around four drug smugglers in a NMSP jail. NMSP courts give drug

smugglers a minimum sentence of six months in prison, but have occasionally sentenced serious offenders from 15 to 20years.

TWO-TIMING MON?

- $\underline{\mathbf{1}}$ 10. (C) Despite their cease-fire with the regime, the NMSP continues to participate in inter-ethnic forums. Nai Shwe Thein said the NMSP is a member of the Ethnic Nationalities Council (ENC) that meets regularly in Thailand. The NMSP delegate to the ENC uses an alias to disguise his identity and confuse the Burmese authorities. The NMSP also sends observers to meetings in Thailand of the National Council -Union of Burma (NCUB) and the National Defense Front.
- 111. (C) COMMENT: The NMSP's grievances and discontent with the SPDC, but reluctance to return to fighting, is pretty much the case with the other cease-fire groups. The ethnic elders were tired of fighting and were bought off by the SPDC. However, younger members who cannot get jobs and do not share in the spoils may have less to lose by returning to fighting, especially if they gain nothing politically. So, the possibility of renewed insurgencies will never be eliminated until underlying ethnic grievances are fairly addressed. The National Convention has failed to do this. END COMMENT.

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